



THIRTIETH  
ANNUAL REPORT

OF THE

Board of Directors

OF THE

Pennsylvania Railroad Co.

TO THE

STOCKHOLDERS,

*As presented at the Meeting, held March 13, 1877.*

---

PHILADELPHIA:

E. C. MARKLEY & SON, PRINTERS, No. 422 LIBRARY STREET.  
1877.



THIRTIETH  
ANNUAL REPORT

OF THE

Board of Directors

OF THE

Pennsylvania Railroad Co.

TO THE

STOCKHOLDERS

*As presented at the Meeting, held March 13, 1877.*



PHILADELPHIA:  
E. C. MARKLEY & SON, PRINTERS, 422 LIBRARY STREET.  
1877.



DIRECTORS  
OF THE  
**Pennsylvania Railroad Company**  
FOR THE  
YEARS 1877 and 1878.

---

BY THE STOCKHOLDERS.

THOMAS A. SCOTT,  
JOSIAH BACON,  
WISTAR MORRIS,  
JOHN M. KENNEDY,  
ALEXANDER J. DERBYSHIRE.

SAMUEL M. FELTON,  
ALEXANDER BIDDLE,  
N. PARKER SHORTRIDGE,  
HENRY M. PHILLIPS,  
JOHN SCOTT, Pittsburgh.

BY THE CITY OF PHILADELPHIA.

GEO. MORRISON COATES, ALEXANDER M. FOX,  
WILLIAM ANSPACH.

BY THE BOARD.

GEORGE B. ROBERTS, EDMUND SMITH, A. J. CASSATT.

---

*President,*

THOMAS A. SCOTT.

*Vice-Presidents,*

GEORGE B. ROBERTS, EDMUND SMITH, A. J. CASSATT.

*Assistants to the President,*

STRICKLAND KNEASS, JOHN P. GREEN, J. N. DUBARRY.

*Treasurer,*


BAYARD BUTLER.

*Secretary,*

JOSEPH LESLEY.

*General Solicitor,*

WILLIAM J. HOWARD.



Digitized by the Internet Archive  
in 2017 with funding from

This project is made possible by a grant from the Institute of Museum and Library Services as administered by the Pennsylvania Department of Education through the Office of Commonwealth Libraries

# ANNUAL MEETING.

---

*Philadelphia, March 13, 1877.*

The Annual Meeting of the Stockholders of the Pennsylvania Railroad Company was held this day at 10 o'clock, A. M., at Musical Fund Hall.

The Hon. William S. Stokley, Mayor of Philadelphia, was called to the Chair, and Mr. Joseph Lesley was appointed Secretary.

The Secretary read the call for the meeting, as follows :

“OFFICE OF THE PENNSYLVANIA RAILROAD CO.

*Philadelphia, February 21, 1877.*

The Annual Meeting of the Stockholders of this Company will be held Tuesday, March 13, 1877, at 10 o'clock, A. M., at Musical Fund Hall, Locust Street above Eighth, Philadelphia.

JOSEPH LESLEY,  
*Secretary.”*

The minutes of the last meeting were read, and on motion, approved.

The reading of the Annual Report of the President and Directors for the year 1876 was then begun by the Secretary, but on motion of Mr. Stephen S. Remak, the further reading of it was dispensed with—the Report having been published in the newspapers for a week previous to the meeting.

Mr. Lewis Elkin offered the following resolution :

“*Resolved*, That the Report of the Board of Directors for the year 1876, to the Stockholders of the Pennsylvania Railroad Company be,

and the same is, hereby accepted and approved, and that the Board of Directors be hereby authorized to publish the same in pamphlet form and distribute to the Stockholders in the usual manner."

The resolution was unanimously adopted.

Mr. T. B. Cannon offered the following resolution :

*"Resolved*, That the officers elected for the Pennsylvania Railroad Company for 1877'8 be, and are, hereby prohibited from issuing annual or trip passes over the Pennsylvania Railroad and Branches, except to employes in the service of the Company, and to them only when on Company business."

After some discussion of the subject the resolution was, on motion of Mr. Charles H. T. Collis, referred to the incoming Board of Directors for such action as they may deem proper.

Mr. Wm. W. Hubbell offered the following resolution :

*"Resolved*, That the Board of Directors be, and are, hereby authorized and requested to take into consideration, and if by them deemed expedient or proper, after paying eight per cent. dividend, to adopt and pursue the policy of investing the surplus net earnings of the Company in the stock and bonds of the Pennsylvania Railroad Company, until the outstanding stock shall not be less than sixty millions of dollars, and hold the stock and bonds so purchased, and the income thereof, on interest and dividend account, and as a contingent fund for extraordinary expenditures, or for extra dividends—all in their discretion."

A lengthy discussion ensued upon the resolution, and the effect its adoption would have upon the financial policy of the Company.

On the question being taken, a large majority of the stockholders were found opposed to its adoption ; so it was not agreed to.



Mr. Charles H. T. Collis offered the following resolution :

“ *Resolved*, That the usual committee to nominate a ticket for Directors be appointed by the Chair, and that said committee so appointed hold over until the next annual meeting.”

The consideration of the resolution was, on motion, indefinitely postponed.

Mr. M. Hall Stanton offered the following resolution :

“ *Resolved*, That the thanks of the stockholders be, and the same are, hereby expressed to the President and Board of Directors of the Company, and to the Officers of the several Departments of the service, and their subordinates, for the integrity and great success with which they have conducted the business of the Company during the past year.”

The resolution was unanimously adopted.

Mr. Stanton then moved

That a vote of thanks be tendered to his Honor, Mayor Stokley, for the able and impartial manner in which he had presided as chairman of this meeting.

The motion was unanimously agreed to ; when, on motion, adjourned.

WM. S. STOKLEY,

*Chairman.*

JOS. LESLEY,

*Secretary.*



# THIRTIETH ANNUAL REPORT.

---

Office of the Pennsylvania Railroad Company,  
*Philadelphia, March 13, 1877.*

To the Shareholders of the  
Pennsylvania Railroad Company.

Your Directors submit the following Report for the year 1876.

## EARNINGS AND EXPENSES ON ALL LINES EAST OF PITTSBURGH AND ERIE.

The total earnings and expenses of your Main Line from Pittsburgh to Philadelphia, including branch and leased lines, and from Philadelphia to New York, including the Delaware and Raritan Canal, the Belvidere Delaware Railroad and the Flemington Branch, and of the Philadelphia and Erie Railroad, were as follows :

### GROSS EARNINGS

General Freights, - - - - -	\$21,132,560 23
First-class Passengers, - - - - -	13,152,867 44
Emigrant Passengers, - - - - -	184,671 56
Express Matter, - - - - -	598,719 10
Mails, - - - - -	377,747 63
Miscellaneous, - - - - -	561,943 20
Canal earnings (Delaware and Raritan Canal)	382,551 78
	<hr/>
	\$36,891,060 99

---

WORKING EXPENSES

Conducting Transportation, - - - -	\$8,134,868 55	
Motive Power, - - - - -	6,283,018 90	
Maintenance of Cars, - - - - -	1,997,347 83	
Maintenance of Road, - - - - -	4,713,385 40	
General Expenses, - - - - -	429,302 64	
Canal Expenses (Delaware and Raritan Canal),	523,306 02	
	<u>                    </u>	\$22,081,229 34
Net earnings for 1876, - - - - -	- - - - -	\$14,809,831 65
Deduct interest or rental charged on equipment used by		
Philadelphia and Erie Railroad, - - - -	\$243,986 03	
Belvidere Delaware Railroad, - - - - -	25,523 85	
Branch Roads, - - - - -	74,387 10	
	<u>                    </u>	\$343,901 98
		<u>                    </u>
		\$14,465,929 67
Deduct rentals paid		
Philadelphia and Erie Railroad, - - - -	\$920,547 22	
Belvidere Delaware Railroad, - - - - -	210,366 48	
Branch Roads, - - - - -	500,630 19	
	<u>                    </u>	1,631,543 89
leaving as net earnings from the operations of your lines,		\$12,834,385 78
Net earnings for 1875, - - - - -	- - - - -	11,423,196 22
		<u>                    </u>
Increase net earnings as compared with 1875, - - - -	- - - - -	\$1,411,189 56

## SUMMARY

of the net earnings of the Pennsylvania Railroad Company, and the distribution thereof:

Net earnings, Pittsburgh to New York;	
Philadelphia and Erie Railroad; Branch	
lines, and lines operated by the Company,	
and of the Delaware and Raritan Canal, -	\$14,465,929 67
Interest and Dividends received in money from	
investments owned by the Pennsylvania	
Railroad Company, - - - - -	2,832,572 69
Interest from investments received in money	
with the lease of the United Railroads and	
Canal of New Jersey, - - - - -	252,559 51
	<u>                    </u>
Total Amount available for rentals, interest	
and dividends, - - - - -	- - - - -
	\$17,551,061 87

Out of which have been paid:	
Interest on Bonded and Floating Debt, Penn-	
sylvaniana Railroad Company, - - -	\$3,571,126 41
Four quarterly Dividends of two per cent. each,	
on Pennsylvania Railroad Co.'s Stock, -	5,509,587 00
State Tax on dividends, - - - - -	495,862 83
State of Pennsylvania on account of purchase	
of Main Line, - - - - -	460,000 00
Rent of Harrisburg and Lancaster Railroad, -	134,228 56
Philadelphia and Erie Railroad, net earnings,	920,547 22
Branch roads connected with the Main Line,	
Pennsylvania Railroad, for earnings due them	500,630 19
Dividends, interest and rentals, &c., paid on	
account of lease of United Railroads and	
Canal of New Jersey, - - - - -	4,409,520 97
Centennial Construction and Expense Account,	\$115,855 23
	<hr/>
	\$16,117,358 41
Balance to credit of Profit and Loss, - - - -	\$1,433,703 46
Profit realized on sundry items, open account	
in 1876, - - - - -	77,281 03
	<hr/>
making total to credit of profit and loss, - - - -	\$1,510,984 49

It will be seen from the foregoing statement that the net earnings of the Company during the past year were sufficient to provide all the rentals, interest, dividends and other amounts due the lines operated by the Company; the expenses of maintaining the various organizations; the sum of \$460,000 to the State of Pennsylvania on account of the purchase and the interest thereon of the Main Line of Public Works, and a dividend to the shareholders, clear of State taxes, of eight per cent. on the capital stock, leaving a net balance of \$1,433,703.46. To this amount should be added the sum of \$77,281.03, as the profit realized on sundry items of open account in 1876, making the total amount carried to the credit of profit and loss for the year, \$1,510,984.49 and, as your Board of Directors

have caused the balance to the credit of Contingent Fund, \$2,000,000, to be merged into profit and loss—the balance to the credit of which at the last report was \$10,077,839.14—the whole amount to the credit of the latter account at the close of the year, would be \$13,588,823.63. Against this amount, however, your Board, upon the recommendation of the Finance Committee after examinations of the bonds, stocks and other assets of the Company, have directed sundry charges to be made, including amount charged off to reduce the insurance fund to a nominal sum; the depreciation of the value of materials on hand; one-half of the subscription of \$250,000 to the Centennial Stock; the discount on the Navy Yard bonds alluded to in the last report, and sundry open accounts carried into Suspense Account, including some of the stocks and bonds owned by the Company deemed of doubtful value, amounting in all to \$3,534,626.60 which, deducted from the above balance of \$13,588,823.63, leaves as the balance to the credit of profit and loss December 31, 1876, \$10,054,197.03.

In addition to the foregoing reserve the Company has, as an excess of actual property as stated in the last Annual Report, the difference between the cost of construction and equipment as charged in the General Account and the actual cash expenditure for those purposes, amounting to over \$27,000,000; to which may be added the largely increased value of the Company's real estate over its cost, estimated at several millions of dollars more.

It will be observed that the amount of earnings in cash received during the year from securities held by the Company was \$2,832,572.69, and that the entire interest of the bonded debt of the Company and such floating debt as existed during the year was \$3,571,126.41; all this interest therefore with the exception of \$738,553.72, was paid by the earnings from those securities.

The subject of the insurance of the property of the Company from loss by fire has received especial attention from your Board of Directors during the past year. The result has been the adoption of a system by which the Company will become its own insurer, and to cover any losses which may arise the following securities representing a cost of five hundred thousand dollars (\$500,000) have been placed under the charge of three trustees, designated Trustees of the Insurance Fund:

	Par value.	Cost.
Western Pennsylvania R. R. Co. bonds,	\$280,700	\$221,700 00
Steubenville and Indiana R. R. Co. bonds,	51,000	40,800 00
Summit Branch R. R. Co. bonds, - -	20,000	16,238 91
Susquehanna Coal Co. bonds, - -	260,000	221,261 09
	<u>\$611,700</u>	<u>\$500,000 00</u>

The experience of the Company in its insurance business has shown that the annual income from these securities (\$37,412 00) is more than sufficient to meet the average losses occurring during a year. It is intended that the accruing interest shall be added to the fund and invested from time to time by the Trustees, under the direction of your Board, after reimbursing the Company out of the fund for any losses by fire.

The investment in the above securities, although actually costing \$500,000, has been reduced to the nominal amount of \$10,000, by charging off the difference to profit and loss on the books of the Company. It is believed that the plan adopted is a prudent one, and will be sufficient to protect the Company from loss of its property by fire under any ordinary state of affairs.

Before the close of the year it was deemed advisable to keep the rail mills on your lines employed during the winter months, when they might otherwise be idle. To do this, the Company entered into an arrangement with the Cambria Iron Company and the

Pennsylvania Steel Company for the supply of steel rails that would be needed during 1877, those companies to make the rails at any time during the winter and the Pennsylvania Railroad Company to give them its vouchers for the amount inspected and delivered, payable at the times the rails would be required for use in 1877, say April, May, June and July. The amount of vouchers issued up to December 31, 1876, was \$338,131.71. These companies have thus been enabled to keep all their works and forces employed, and the arrangement has been advantageous to all parties. The vouchers as they mature will be paid out of current earning, and charged to expenses.

In the last Annual Report it was stated that there would be needed for purposes of construction and equipment during the year 1876, about \$3,500,000 to meet the requirements of the Main Line, and of the New Jersey Division. The amount expended within the year on all the lines, chargeable to these accounts, was \$3,087,025.32. It will be observed in the statistics of these accounts that the extraordinary outlay of capital incurred in connection with the Centennial Exhibition for the buildings, tracks and other facilities no longer required, has been deducted from the Income Account of the year, and not charged to construction and equipment.

The amount actually expended during the year for Construction, Equipment, and Real Estate, was as follows:

For Construction,

Pennsylvania Railroad proper, - - -	\$943,778 35	
United Railroads of New Jersey, - - -	280,869 69	
		<u>\$1,224,648 04</u>
For Equipment, - - - - -		646,159 34
For Real Estate, exclusive of Navy Yard property, - -		477,396 07
For extension of and new work upon branch and connecting roads controlled by this Company, - - - - -		738,821 87
		<u>\$3,087,025 32</u>
Making a total of - - - - -		



all of which sum is represented by new and valuable property for the future uses of the Company and its auxiliary lines.

In the above items is included the cost of the new passenger station at the corner of Thirty-second and Market streets in West Philadelphia. The plans for this building, as ultimately adopted, were much enlarged and improved upon those at first submitted. Its final cost was \$240,000. It is believed to be one of the most commodious and convenient passenger stations in the country, and is capable of accommodating the movement of more trains and traffic within a given time than perhaps any other in America. Had it not been for the great additional facilities which its construction afforded, it would have been impossible to handle the enormous passenger traffic of the Centennial year.

It is gratifying to be able to state that all the outlays required by the Company during the year were provided for out of its own assets and net earnings; that there has been no increase of its bonded indebtedness or of its capital stock, and that the Company is entirely free of floating debt. The Treasurer's Statement, appended to this Report, will show the exact financial condition of the Company, and its ample resources to meet all its obligations. It may be stated in this connection that at the close of the year a committee of your Board verified the list of bonds, stocks and other securities in the custody of the Treasurer, belonging to the Company as per the general ledger, and found them correct.

It is believed that the sum required for purposes of construction, equipment, and real estate, for the present year, on all their lines east of Pittsburgh and Erie, including branch roads, will not exceed two millions of dollars; and when it is considered that this sum is less than one per cent. of the actual capital invested in the various roads owned or controlled by your Company east of those cities, which is now over \$200,000,000, it may be considered as about the

minimum amount per annum that should be applied to the proper additions and extensions of your large properties, in order to place them in thorough condition to meet the increasing through traffic and the wants of the various branches of industry that will require new facilities.

## COMPARISONS FOR 1875

*Earnings and Expenses on all lines east of Pittsburgh and Erie.*

Gross earnings, 1876,	-	-	-	-	-	-	\$36,891,060 99
“ “ 1875,	-	-	-	-	-	-	34,464,104 38
Increase,	-	-	-	-	-	-	<u>\$2,426,956 61</u>
Gross expenses, 1876,	-	-	-	-	-	-	\$22,081,229 34
Rentals and interest on equipment, 1876,	-	-	-	-	-	-	1,975,445 87
							<u>\$24,056,675 21</u>
Gross expenses, 1875,	-	-	-	-	-	-	\$21,094,461 31
Rentals and interest on equipment, 1875,	-	-	-	-	-	-	1,946,446 85
							<u>\$23,040,908 16</u>
Increase,	-	-	-	-	-	-	<u>\$1,015,767 05</u>
Net earnings, 1876, after deducting rentals and interest on equipment, -	-	-	-	-	-	-	\$12,834,385 78,
Net earnings, 1875, after deducting rentals and interest on equipment, -	-	-	-	-	-	-	11,423,196 22
Increase in net earnings, 1876,	-	-	-	-	-	-	<u>\$1,411,189 56</u>

The earnings per mile received from the 358 miles of Main Line in 1876 were \$51,916.92, showing an increase of earnings per mile of \$620.99 over the earnings of 1875.

The whole number of passengers carried in 1875 was 5,609,787, and in 1876 was 6,926,016, showing an increase of 1,316,229.

The average distance travelled by each passenger was  $41\frac{6}{10}$  miles, being 13 miles more than in 1875.

The number of tons of freight moved (including 677,636 tons of fuel and other materials for Company's use) was 10,600,547 tons,

embracing 4,837,896 tons of coal, exclusive of 501,236 tons of coal for Company's use.

It was the previous year 9,787,176 tons, showing an increase of 813,371 tons, or about  $8\frac{3}{10}$  per cent. The increase in coal tonnage was 106,460 tons.

The gross earnings of the Branch Lines leased and owned by the Pennsylvania Railroad Company, excepting the Philadelphia and Erie Railroad, the Belvidere Delaware Railroad, the Delaware and Raritan Canal Company, and the United Railroads of New Jersey, were :

In 1876, 605 miles in length, - - - - -	\$2,201,838 61
In 1875, 547 " " - - - - -	2,129,308 07
Showing an increase from Branches of - - -	<u>\$72,530 54</u>

The gross earnings of Branch Lines operated by your Company in 1876, as already stated, were - - -	\$2,201,838 61
The expenses of operating them, including rentals and interest on equipment, were - - - - -	2,116,352 14
Showing a direct net profit of - - - - -	<u>\$85,486 47</u>

The actual cost of operating your Main Line in 1876, excluding branches, was  $58\frac{7}{10}$  per cent. of its receipts, and including branch lines,  $59\frac{9}{10}$  per cent. In 1875 the cost of operating your Main Line, excluding branches, was  $55\frac{87}{100}$  per cent., and including branches,  $57\frac{55}{100}$  per cent. The expenses of 1876 include many unusual outlays made to meet the possible requirements of the Centennial Exhibition.

The actual cost of operating the United Railroads of New Jersey, including branches, also the Belvidere Delaware Division and the Delaware and Raritan Canal in 1876, was  $58\frac{8}{10}$  per cent. of the receipts from transportation ; in 1875 it was  $68\frac{19}{100}$  per cent.

The actual cost of operating the United Railroads of New Jersey,

including branches, in 1876, was  $56\frac{9}{10}$  per cent. of the receipts from transportation : in 1875 it was  $68\frac{19}{100}$  per cent.

The actual cost of operating the Belvidere Delaware Railroad, including Flemington Branch, in 1876, was  $74\frac{5}{10}$  per cent. of its receipts : in 1875 it was  $71\frac{27}{100}$  per cent.

The actual cost of operating the Delaware and Raritan Canal was  $59\frac{4}{10}$  per cent. of its receipts : in 1875 it was  $50\frac{67}{100}$  per cent.

#### PHILADELPHIA AND ERIE RAILROAD.

The earnings of the Philadelphia and Erie Railroad in 1876, from

all sources, were	-	-	-	-	-	\$3,352,979 17
Total expenses of operating, were	-	-	-	-	-	2,188,445 92
Net earnings for 1876, -	-	-	-	-	-	1,164,533 25
from which deduct interest on equipment, -	-	-	-	-	-	243,986 03
leaving balance to credit of Philadelphia and Erie Railroad, -	-	-	-	-	-	<u>\$920,547 22</u>
Decrease in gross earnings as compared with 1875, -	-	-	-	-	-	\$12,918 07
Decrease in expenses as compared with 1875, -	-	-	-	-	-	40,037 76
Increase in net earnings over 1875, -	-	-	-	-	-	27,119 69

The actual cost of working the Philadelphia and Erie Railroad in 1876 was  $65\frac{3}{10}$  per cent. of receipts ; in 1875 it was  $66\frac{21}{100}$  per cent.

The whole number of passengers carried in 1876 was 691,560, and in 1875, 612,402, showing an increase of 79,158 or about  $12\frac{8}{10}$  per cent.

The average distance travelled by each passenger was  $32\frac{4}{10}$  miles, being about  $7\frac{7}{10}$  miles more than in 1875.

The number of tons of freight moved (including 119,375 tons of fuel and other materials for Company's use) was 2,636,845, embracing 892,284 tons of coal.

It was the previous year 2,523,486 tons, showing an increase of 107,359 tons, or  $4\frac{25}{100}$  per cent.

## TRAFFIC STATISTICS.

The tonnage movement and mileage over your lines east of Pittsburgh and Erie, are shown in the following statements, where comparison is made with the results of the previous year :

## TONNAGE MOVEMENT OVER LINES EAST OF PITTSBURGH.

	1876.	1875.	Increase.	Decrease.
Main Line and branches..	9,922,911	9,115,368	807,543	.....
United Railroads of New Jersey.....	3,377,605	3,258,440	119,165	.....
Belvidere, Delaware, and Flemington branch.....	1,246,967	1,002,480	244,487	.....
Delaware and Raritan Canal.....	1,897,708	1,958,004	.....	60,296
Philadelphia and Erie.....	2,517,470	2,396,434	121,036	.....
Totals.....	18,962,661	17,730,726	1,292,231 60,296	60,296
Net increase .....	.....	.....	1,231,935	.....

The percentage of increase was  $6\frac{9}{10}$  per cent. over that of 1875.

## TONNAGE MILEAGE ON LINES EAST OF PITTSBURGH.

	1876.	1875.	Increase.
Main Line and branches.....	1,629,742,021	1,479,414,466	150,327,555
United R. Rs. of New Jersey	190,635,678	187,699,616	2,936,062
Belvidere Delaware, and Flemington branch.....	60,970,796	47,157,234	13,813,562
Philadelphia and Erie.....	340,390,703	311,919,109	28,471,594
Totals.....	2,221,739,198	2,026,190,425	195,548,773

The percentage of increase was  $9\frac{6}{10}$  per cent. over that of 1875.

Attention is particularly invited to the following table, showing the average earning, and average cost per ton per mile, and the resulting profit, on each of the Divisions worked by the Pennsylvania Railroad Company :

	Pennsylvania R. R. and Branches.	United Railroads of New Jersey and Branches.	Delvidere Division.	Philadelphia and Erie Railroad.
Length of Road.....	963	293	80	288
Average earnings per ton per mile from transportation of freight.....	$0 \frac{892}{1000}$	$1 \frac{737}{1000}$	$1 \frac{049}{1000}$	$0 \frac{776}{1000}$
Average cost of transporting each ton of freight one mile.....	$0 \frac{582}{1000}$	$1 \frac{562}{1000}$	$0 \frac{782}{1000}$	$0 \frac{504}{1000}$
Average profit in transporting each ton of freight one mile.....	$0 \frac{310}{1000}$	$0 \frac{175}{1000}$	$0 \frac{267}{1000}$	$0 \frac{272}{1000}$

It will be observed that the average gross earning on freight upon the Main Line and branches, including through tonnage as well as local, was  $\frac{892}{1000}$  of one cent, or less than ten mills per ton per mile. The cost per ton per mile was  $\frac{582}{1000}$  of one cent; the average profit for transporting each ton of freight one mile being therefore  $\frac{310}{1000}$  of one cent, or  $3\frac{1}{10}$  mills. The expense of moving 677,636 tons of coal and material for Company use, from which no revenue is derived, is charged against the paying tonnage, and included in the cost of  $\frac{582}{1000}$  of one cent per ton per mile.

The statements given beneath show the statistics of passenger travel over the lines of the Company, east of Pittsburgh.

## PASSENGER MILEAGE ON LINES EAST OF PITTSBURGH

	1876.	1875.	Increase.
Main Line and Branches.....	238,312,089	160,421,998	127,890,091
United Railroads of New Jersey.....	302,188,535	162,225,745	139,962,790
Belvidere Delaware, & Flemington branch..	10,282,524	6,469,323	3,813,201
Philadelphia and Erie.....	22,425,613	15,117,810	7,307,803
Totals.....	623,208,761	344,234,876	278,973,885

The percentage of increase over 1875 was 81 per cent.

The following table shows the average earning and average cost per passenger per mile, and the resulting profit, on each of the divisions worked by the Pennsylvania Railroad Company :

	Pennsylvania R. R. and Branches.	United Rail- roads of New Jersey and Branches	Belvidere Division.	Philadelphia and Erie Railroad.	All lines east of Pittsburgh.
Length of Road.....	963	293	80	288	1,624
Average earnings from each passenger per mile.....	1 $\frac{862}{1000}$	2 $\frac{213}{1000}$	2 $\frac{291}{1000}$	2 $\frac{347}{1000}$	2 $\frac{056}{1000}$
Average cost of trans- porting each passenger per mile .....	1 $\frac{029}{1000}$	0 $\frac{966}{1000}$	2 $\frac{074}{1000}$	2 $\frac{104}{1000}$	1 $\frac{055}{1000}$
Profit on each passenger per mile.....	0 $\frac{833}{1000}$	1 $\frac{247}{1000}$	0 $\frac{217}{1000}$	0 $\frac{243}{1000}$	1 $\frac{001}{1000}$

The foregoing statements show that the average earning per passenger per mile on all the Lines east of Pittsburgh was 2 $\frac{056}{1000}$  cents,



and the cost  $1\frac{6.55}{1000}$  cents, resulting in a profit of  $1\frac{0.01}{1000}$  cents per passenger per mile.

The exceedingly low average earning on both freight and passenger business is attributable chiefly to two causes. The first was the unwise competition in all through competitive traffic forced upon the Truuk Lines under the seriously mistaken policy which endeavored to secure to certain of the Truuk Lines more than a due proportion of through business; an attempt which, while depriving the lines in great part of the profit which should legitimately result from their operation, failed to accomplish the object sought to be attained. The second cause of the low rate of earning was the policy adopted by the Company of aiding the mining and manufacturing interests of the Commonwealth, and especially of those along its lines, by making temporary reductions in its freight rates during the severe depression which continued in all branches of trade throughout the year. Your Board believe this latter course to have been judicious; otherwise a large number of important industries could not have remained in active operation. By the most rigid economy in every department and by the thorough maintenance of the road and equipment, the cost of movement per ton per mile was reduced to less than six mills; certainly a gratifying result. There has been moved over the Main Line and Branches during the year,  $8\frac{86}{100}$  per cent. more tonnage than in any like period since their construction.

In the month of December 1876, an arrangement was entered into between the several Truuk Lines, under which a considerable advance was secured upon the then prevailing unremunerative rates on through traffic. It is hoped that this may be improved upon, and be made permanent by adopting a proper system for dividing the business or its results, so that each of the various lines may have ensured to it a proper share of the traffic, and the public



be thereby relieved from the uncertainties and disadvantages attending the fluctuations of irregular rates. This done, the companies will be enabled to give greater facilities to the public and make sufficient profit in their operation to protect and remunerate the capital invested in them. This policy has received the earnest support of your Board of Directors, and it is believed that during the present year such a permanent plan as is above alluded to may be agreed upon, greatly to the benefit of the business interests of the country, and to the owners of railway property.

Before the close of the past year negotiations were concluded with the Baltimore and Ohio Railroad Company, whereby all the business that is competitive only between that company and your own has been placed on a basis to make all such traffic remunerative. This arrangement has been of great service to both companies, and will no doubt result in still further measures for the better protection and promotion of the interests of the respective companies.

The results of the operations of the Pennsylvania Canal Company, and of the anthracite coal properties in which your Company is interested, are given in the following statements :

PENNSYLVANIA CANAL COMPANY.

Gross receipts,	-	-	-	-	-	-	- \$409,773 46
Expenses,	-	-	-	-	-	-	- 241,081 41

Net earnings, 1876,	-	-	-	-	-	\$168,692 05
---------------------	---	---	---	---	---	--------------

being a decrease in net earnings from operating the Canal of \$35,339.82, as compared with 1875.

In addition to the above net earnings, the Company collected

from the State, for overpaid taxes in previous years, - - 47,620 69

Total,	.	.	.	.	-	-	-	\$216,312 74
--------	---	---	---	---	---	---	---	--------------

## COAL INTERESTS

## THE SUSQUEHANNA COAL COMPANY

produced in 1876,  $568.370\frac{13}{100}$  tons.

Its gross receipts were,	-	-	-	-	-	-	-	-	\$2,126,883 48
Expenses, including interest on bonds and mortgages, royalty, depreciation of live stock, and other property at mines,	-	-	-	-	-	-	-	-	2,112,823 42
									<hr/>
Net surplus over all expenses, interest, and depreciation,									\$14,060 06

The charge for royalty on coal mined, referred to in the last report, has been reduced from 25c. to 10c. per ton, that amount being considered sufficient to cover the purposes of sinking fund for bonds, and depreciation of property. All taxes, insurance and interest on indebtedness are included in expenses as above stated.

## SUMMIT BRANCH RAILROAD COMPANY

produced  $241,706\frac{92}{100}$  tons of coal.

Gross earnings,	-	-	-	-	-	-	-	-	\$1,157,854 70
Expenses, including interest on bonded debt and charge on coal mined, to cover depreciation of lands,	-	-	-	-	-	-	-	-	1,070,114 24
									<hr/>
Net profit on business for year,	-	-	-	-	-	-	-	-	\$87,740 46

## LYKENS VALLEY COAL COMPANY

produced  $155,165\frac{97}{100}$  tons of coal.

Gross earnings,	-	-	-	-	-	-	-	-	\$567,794 10
Expenses, including interest on old bonds, &c.	-	-	-	-	-	-	-	-	707,632 49
									<hr/>
Loss for year,	-	-	-	-	-	-	-	-	\$139,838 39

being a decrease in loss of \$153,459.32 as compared with last year.

## MINERAL RAILROAD AND MINING COMPANY

produced 320,700 $\frac{9}{10}$  tons of coal.

Gross earnings,	-	-	-	-	-	-	-	-	-	\$883,299 04
Expenses,	-	-	-	-	-	-	-	-	-	792,804 18

Net earnings,	-	-	-	-	-	-	-	-	-	90,494 86
Decrease as compared with 1875,	-	-	-	-	-	-	-	-	-	\$71,540 22

The aggregate results from the several Anthracite Coal Companies were as follows :

										Tons.
Total production 1876,	-	-	-	-	-	-	-	-	-	1,285,912
Total production 1875,	-	-	-	-	-	-	-	-	-	1,390,001
Decrease,	-	-	-	-	-	-	-	-	-	104,059

In the month of December an arrangement was made with the Philadelphia & Reading Railroad Company for moving a portion of its anthracite coal traffic over your lines between Port Richmond and South Amboy, the Reading Company furnishing the engines, cars and train service, and your Company receiving a trackage which is satisfactory. This arrangement it is believed will be of great importance to the Philadelphia & Reading Railroad, and be an increasing source of revenue to your Company.

## LINES WEST OF PITTSBURGH.

The lines owned or otherwise controlled by your Company, west of Pittsburgh, over which all the large through traffic to and from the Pennsylvania Railroad east of Pittsburgh is handled, are all operated by the Pennsylvania Company, whose general office is at Pittsburgh. The earnings and revenues of the Pennsylvania Company are employed in providing for the liabilities of the Pennsylvania Railroad Company west of Pittsburgh, as assumed by the

Pennsylvania Company, and the revenues of such of the leased lines as exhibit a surplus are used by the Pennsylvania Company to meet such deficiencies as may arise in the operation of any of the other lines under its control.

The total earnings of the Pennsylvania Company, on lines managed by it, and through organizations controlled by it,	
for the year 1876, were	\$24,670,150 30
The Expenses for the same period were	17,414,507 55
Leaving net earnings of	\$7,255,642 75

From this are to be deducted rentals, interest, dividends, and liabilities of every kind chargeable thereto, (including the entire net earnings of the C. C. and I. C. Railway paid over to the Receiver under orders of Court, but not including additional liability, if any exist, under the lease now suspended and in litigation), also, interest on all bonds, floating debt and other liabilities of the Pennsylvania Company,	\$7 291,496 57
Leaving a net loss in 1876, on the lines west of Pittsburgh,	\$35 853 82
The entire expenditure made for construction and equipment, on all the lines west of Pittsburgh, for 1876, was	\$558.399 21

A large amount of steel rails, aggregating 20,514 tons, has been laid during the past twelvemonth on the lines west of Pittsburgh. On the southwestern lines all of the steel rails laid was charged to Expenses, and on the northwestern lines the difference between the cost of steel and iron rails, amounting to \$283,392.55 was charged to Betterments, for which item securities are received under the terms of the several leases. The detailed statistics of the working of these companies and their financial condition will be prepared and printed for the information of their shareholders as soon as their annual meetings are held, and any stockholder of the Pennsylvania Railroad Company who so desires may then obtain them.

It has been frequently charged by parties inimical to your Com-

pany's welfare that there were very large amounts of Pennsylvania Company's paper issued to the Pennsylvania Railroad Company for accommodation purposes, and endorsed by it. This statement is absolutely without foundation, as all of the Pennsylvania Company's paper in existence has been issued for the proper and necessary purposes of its own and subordinate lines.

On December 31, 1876, the Bills Payable of the Pennsylvania Company had been reduced to \$2,588,933.47. Of this amount the Pennsylvania Railroad Company received the sum of \$2,155,233.47 for advances made to the Pennsylvania Company to meet the requirements of the companies west of Pittsburgh in providing for the necessary construction and equipment on their lines during past years, and for other outlays requisite for the proper protection and improvement of the large properties committed to their charge. Of the above amount received by the Pennsylvania Railroad Company \$2,050,000 have been discounted, with its endorsement, to partly reimburse it for its advances to the Pennsylvania Company. It is proposed that all the floating indebtedness of the Pennsylvania Company shall be funded at an early date.

## SUMMARY OF LINES EAST AND WEST OF PITTSBURGH.

Gross earnings, all lines, 1876, from traffic,	-	-	-	-	\$61,561 211 29
“ expenses, excluding rentals, interest, dividends, &c.,	-	-	-	-	39,495,736 89
Net earnings,	-	-	-	-	\$22,065,474 40

## FREIGHT TRAFFIC.

	Number of Tons.	Number of Tons one mile.
All Lines East of Pittsburgh and Erie, -	18,962,661	2,221,739,198
All Lines West of Pittsburgh, -	12,129,970	1,373,123,360
	<hr/> 31,092,631	<hr/> 3,594,862,558

## PASSENGER TRAFFIC.

	Number of Passengers.	Number of Pas- sengers one mile.
All Lines East of Pittsburgh and Erie, -	18,363,366	623,208,761
All Lines West of Pittsburgh, - -	7,030,359	259,353,848
	<hr/>	<hr/>
	25,393,725	882,562,609

The average distance travelled by each passenger east of Pittsburgh and Erie was  $33\frac{4}{9}$  miles. West of Pittsburgh the average was  $36\frac{1}{10}$  miles.

## CENTENNIAL EXHIBITION.

In order to accommodate the immense passenger traffic of the Centennial year, it was necessary to make important changes in the system of tracks in the West Philadelphia yards and at the new Centennial station, all of which were accomplished in time to meet the requirements of the Company. A large passenger station was built immediately opposite the main entrance to the Centennial grounds, and the tracks for the incoming and outgoing trains were constructed in the form of a circle, so that there could be a continuous arrival and departure of trains without interference. This plan worked most satisfactorily; the risk of collisions or other accidents to trains was avoided, and the Company was not only enabled to provide for the increased number of trains over its own lines, but to furnish accommodations for the North Pennsylvania and Bound Brook Lines, and for the Philadelphia, Wilmington and Baltimore Railroad. The movement of all passenger and freight trains, to and from the Centennial Grounds and the station at West Philadelphia, was placed under the immediate charge of Charles E. Pugh, with a sufficient corps of officers under him to take prompt care of the great concentration of traffic at those points.

During the Centennial season, between the 10th of May and the 10th of November, 20,231 passenger trains, with 127,296 cars, and 2,343,499 passengers, arrived at the West Philadelphia station, Thirty-second and Market streets, and during the same period 22,372 trains, with 141,284 cars, and 2,612,213 passengers, arrived at the Centennial Station, making a total of 42,603 trains, with 268,580 cars, and 4,955,712 passengers. This large movement was accomplished without the slightest injury to any passenger. During the period referred to, 90 per cent. of this whole amount of passenger traffic was handled between the hours of 7 and 11 o'clock in the morning, and 4 and 7 o'clock in the afternoon.

The total amount of baggage received and delivered at the West Philadelphia, Centennial, Kensington and Market Street Ferry Stations, was 730,486 pieces, and of this aggregate but 26 pieces were lost or mislaid, the claims for which, as presented, amounting to the small sum of \$1,906.99.

It is believed that the volume of the passenger and freight traffic of the lines controlled and operated by the Pennsylvania Railroad Company during the Centennial season was largely in excess of that ever handled by any other company during a similar period. Its careful and successful movement reflects the highest credit upon the General Manager, and the officers under his charge on the various divisions of the line.

It is to be regretted that the rates received for this transportation were even less than that which your Company, under the arrangements made between the different railway lines, expected to receive. But while the revenue from the largely increased traffic was diminished by the great reduction in the rates, no doubt these rates induced a great many to visit the Exhibition that otherwise could not have done so. We trust that we shall see some important results in the future from the travel of the past year.



A permanent exhibition is now being established on the Centennial grounds at Philadelphia, growing out of the great one just closed, which will be of much interest to the people of the whole country. It will be the most extensive, thorough and complete display ever attempted in this country, excepting the International Exhibition of 1876. It will no doubt attract to the City of Philadelphia a very large number of visitors, and give to your lines additional traffic that they would not otherwise receive. Acting under the belief that your roads will be benefited by this, your Board authorized and directed that whatever results should accrue to the Company out of its original subscription to the Centennial Exhibition should be invested in the stock of the new Company. One-half of the original amount paid in as subscription to the Centennial has been charged to the profit and loss account of the past year, as set forth in this report.

#### GENERAL REMARKS.

During the year, fifty-nine hundred and ninety-nine tons of steel rails have been placed on the Main Line, and seven thousand and sixty-eight tons on the New Jersey Division, making an aggregate of 13,067 tons; all of which have been charged to expenses of maintenance of the line. Thirty-eight hundred and fifty-four tons of steel rails were laid on the Philadelphia & Erie Railroad, and charged to the expenses of that line.

Forty-nine first class locomotives, and 733 new box, stock and coal cars were built to replace worn out or inefficient rolling stock, in addition to maintaining in good condition all the balance of your large equipment, and making the necessary renewals thereto. All of these items were charged to expenses. The passenger equipment was also increased by one hundred and twenty-six passenger, and two mail cars, and their cost charged to construction and



equipment. All of this work was done at the Company's shops in Altoona.

It was found necessary to increase the number of coal cars in service upon your lines to meet the needs of the trade, and accordingly arrangements were made through the Car Trust of Pennsylvania to place upon the line 1000 eight-wheel coal cars of 15 tons capacity each, upon the same terms as those built in 1875, and as set forth in the Annual Report for that year.

The Block System of Signals has been extended over the whole line between Philadelphia and New York and between Philadelphia and Pittsburgh, and has added largely to the security and promptness with which the trains are moved.

The Stock Yards and Abattoir at West Philadelphia have been completed and in service for more than a year past, without the least annoyance to the community or injury to surrounding property. Their situation has been found most advantageous to the public.

The terminal facilities of the port of Philadelphia in connection with your lines have received a number of improvements during the year, and have shown themselves fully capable of accommodating the greatly increased commerce of the city.

In the month of August what was known as the "Coal Association" (of which your Company was not a member), on account of disagreement among the companies composing it, was dissolved, causing a large reduction in the prices of coal, and a great destruction of values. The anthracite coal business of your Company, being largely supplied to the west and south and other markets not much affected by the actions of the Coal Association, suffered but little in comparison with that of other companies whose chief markets were to eastern points.

The extensions of your branch lines were proceeded with as the development of their business required. The Columbia and Port Deposit Railroad was extended a distance of twenty miles, and will be completed to Port Deposit within the current year. The South-West Pennsylvania Railway was finished to Uniontown, a distance of seven miles, and arrangements have been made to extend it six miles to Fairchance Furnace this present year, to meet the demands of local business. The coke traffic upon that line has quite equalled expectation, and in addition to the large and valuable business in this product with the west a fair trade is growing up east of the mountains, where coke is beginning to be used in considerable quantity in connection with anthracite coal for smelting purposes. The East Brandywine and Waynesburg Railroad Company, whose road is leased to your Company, extended its line during the year to New Holland, a distance of ten miles. It is believed that this extension will increase the traffic of that line, as well as that of your own line.

Instructions have been given to complete the connection between the Main Line of the Pennsylvania Railroad and the Pittsburgh, Virginia and Charleston Railway, crossing the Monongahela River above the mouth of Turtle Creek. This connection will give the Company increased facilities for handling business to and from the southwestern lines via the Pittsburgh, Cincinnati and St. Louis Railway, as thereby a large portion of the through freight traffic will be passed around the yard in Pittsburgh, affording relief at that point, which is greatly needed. The extension of the Pittsburgh, Virginia and Charleston Railway to Brownsville, was not pressed during 1876, but arrangements are now being perfected by the local interests of the line, under which it is hoped that the road will be opened to that point before the close of 1877. This extension will add largely to the value of the portion of road already

constructed, and make it an important connection for your lines, and of much advantage to the city of Pittsburgh.

The Lewisburg, Centre and Spruce Creek Railroad has been extended 18 miles, and during the coming season will be further extended, developing a very fertile and valuable section of the State. This line connects with the Philadelphia and Erie Railroad at a point opposite Lewisburg, and when completed will be 45 miles in length.

The roadways, equipment and other facilities of the Northern Central and the Baltimore and Potomac Railway Companies were much improved during 1876, and are now in excellent condition to meet all the needs of the public.

It was found necessary during the past year, to discontinue the limited mail trains upon your lines, as the compensation which, under the law the Postmaster General was authorized to pay, was entirely inadequate for the extraordinary services required. The whole subject of increased mail facilities has been by Congress referred to a Commission, who are now investigating it with a view to making some recommendations for the re-establishment of limited mail trains, and providing a method of compensation that will be equitable to the companies and enable the Government to give the country the advantages of a greatly improved postal system.

Your Board, by a Special Committee of its members appointed for that purpose, has caused a very careful examination to be made of the actual condition of your Company's lines and equipment, and they take pleasure in reporting that these have not only been maintained in their previous good condition but great advancement has been made in the character of the superstructure, bridges and stations, and in the efficiency of the equipment. Your Board have no hesitation in stating that they believe your entire property was never in so good a condition as at present. From the testi-

mony borne by eminent foreign engineers who visited the United States during the last summer, many of whom made a very thorough inspection of your property, the conclusion may be safely reached that it is probably unsurpassed in its condition, form of organization and capacity for the economical movement of traffic.

The Treasurer's Report, with a complete list of the securities held by your Company, as examined and certified to by the Committee on Finance, will give its financial condition. The reports of the Comptroller and of the General Manager will be issued in pamphlet form in connection with this Report, and will give in detail the results of the operations of your lines and of each division thereof.

It is believed that many causes which have disturbed the country and depressed its business interests, have now been so far removed that we may expect the gradual restoration of confidence, and a moderate revival in all branches of trade. Your Board believes that your lines will continue to yield satisfactory results for the shareholders, and trusts that those attained during the past year may meet their approbation.

Your Board desires to express its acknowledgments to the Company's officers and employees for the diligent and satisfactory manner in which they have discharged their duties during the exceptionally active year just closed.

By order of the Board,

THOMAS A. SCOTT,

*President.*

# TREASURER'S STATEMENT.

Dr.

## GENERAL ACCOUNT.

To Capital Stock.....		\$68,870,200	00
“ First Mortgage Bonds due 1880.....	\$1,970,000 00		
“ General “ “ 1910.....	19,999,760 00		
“ Consol'd “ “ 1905.....	29,250,000 00		
“ Navy Yard Mortgage Registered Bonds due 1881.....	1,000,000 00		
“ Lien of the State upon the Public Works between Philadelphia and Pittsburgh, bearing 5 per cent. interest payable in annual instalments of \$460 000, applicable first to the interest, and the remainder to principal; the original amount of which was \$7,500,000 .....	4,795,107 97		
“ Ground Rents at 6 per cent. remaining on Real Estate purchased, amounting to.....	91 361 11	60,106,229	08
“ Accounts payable, viz.:			
Passenger balances due other Roads. ....	148,100 01		
Pay Rolls and Vouchers for December, 1876, paid in January, 1877.....	2,499,552 56		
Vouchers for Steel Rails to be used during 1877....	338,131 71		
Bills payable .....	None.		
Cash, Dividend due to Stockholders unpaid.. ..	144,488 50		
Dividend Scrip of December, 1873, outstanding.....	5,727 36		
Sundry Accounts due other Roads.....	2,246,909 66	5,382,909	80
“ Appraised Value of Securities owned by the United New Jersey Railroad and Canal Company, and transferred with the Lease of the Works of that Company.....		3,895,584	60
“ Equipment of Road and Canal owned by the United New Jersey Railroad and Canal Company, and transferred with the Lease of the Works of that Company.....		4,023,329	53
“ Balance to credit of Profit and Loss.....		10,054,197	03
		<u>\$152,332,450</u>	<u>04</u>



# GENERAL ACCOUNT.

Cr.

By Balance standing on the Books of the Company for the Construction of the Railroad between Harrisburg and Pittsburgh, including Branches to Indiana, Hollidaysburg and Morrison's Cove, also Branch to connect with the Pittsburgh, Virginia and Charleston Railroad; also, Bridge over the Susquehanna River at Columbia and Branch from Columbia to York, in all 325 miles, and cost of Stations, Warehouses and Shops, on the whole Road from Philadelphia to Pittsburgh.....	\$23,631,703 12	
" Balance standing on the Books of the Company, for the purchase of the Philadelphia and Columbia Railroad.....	5,375,733 43	
" Balance to debit of Equipment of Road, consisting of 935 Locomotives, 586 Passenger Cars, 162 Baggage, Mail and Express Cars, 17,318 Freight Cars, and 1,367 Road Cars—including Shop Machinery, and also including Equipment of Canal, consisting of Schooners, Barges and Tugs.....	17,395,080 05	
" Cost of Real estate of Company and Telegraph Line,	8,079,349 72	
" Extension of the Pennsylvania Railroad to the Delaware River, including Wharves and Grain Elevator	2,036,612 25	
Total amount charged to Construction, Equipment and Real Estate Accounts for the Railroads between Philadelphia and Pittsburgh, comprising 1,121 <sup>3</sup> / <sub>10</sub> miles of Single Track, including Sidings, Stations, Warehouses, Shops and Shop Machinery, Telegraph Lines, Canal Equipment, etc., etc.....	\$56,518,478	57
OTHER ASSETS.		
By Cost of Bonds of Railroad Corporations.....	30,877,955 41	
" " Capital Stocks of Railroad Corporations.....	29,460,807 87	
" " Bonds and Stocks of Municipal Corporations, Coal Companies, Canal Companies and Bridge Companies, and investments not otherwise enumerated..	10,186,045 99	
Total Cost of Bonds and Stocks belonging to the Company .....	70,524,809	27
*By Insurance Fund .....	10,000	00
" Bonds and Mortgages on Real Estate.....	3,500	00
" Amount expended for the purchase of Anthracite Coal Lands, Hazleton, Hamilton, Eastwick and other Tracts.....	843,789	32
" Appraised Value of Securities owned by the United New Jersey Railroad and Canal Company, and transferred with the lease of the Works of that Company.....	3,895,584	60
" Equipment of Road and Canal owned by the United New Jersey Railroad and Canal Company, and transferred with the Lease of the Works of that Company .....	4,023,329	53
" Amount of Fuel and Materials on hand for repairs to Locomotives, Cars and Maintenance of Way, viz.:		
For the Pennsylvania Railroad.....	\$2,266 077 68	
" United New Jersey R. R. & Canal Co.	955 212 93	
" Philadelphia and Erie Railroad.....	340,450 70	
	3,561,741	31
" Amount of Bills and Accounts Receivable and amounts due from other Roads, including advances made to Railroad Corporations for Construction and purchase of Equipment used on their Lines, viz.:		
Philadelphia and Erie Railroad Company.....	\$273,398 66	
United N. J. R. R. & Canal Co. Construction.....	97,896 58	
" " Sink'g F'd & Redemp. Acc.	666,070 00	
" " Real Estate.....	271,919 63	
Other Companies.....	6,819,860 58	
	8,129,145	45
By Cash Balance in hands of the Joint Stock Bank, London, and other parties to pay Coupons due in January, 1877.....	1,208,725	93
" Cash Balance in hands of Freight and Pass. Agents,	1,758,400 77	
" Cash Balance in hands of Treasurer.....	1,854,945 29	
	3,613,346	06
	\$152,332,450	04

\* The Insurance Fund actually represents an asset of \$500,000—invested in the following securities:

\$200,000—Susquehanna Coal Company's Bonds, @.....	\$221,261 09
51,000—Steubenville & Ind. R. R. Co's " ".....	40,800 00
280,700—Western Penna. R. R. Co's " ".....	221,700 00
20,000—Summit Branch R. R. Co's " ".....	16,238 91

\$611 700

\$500,000 00

# LIST OF BONDS

OWNED BY

## THE PENNSYLVANIA RAILROAD COMPANY

December 30, 1876.

NAME OF SECURITY.	No. of BONDS.		PAR VALUE.
Alexandria & Fredericksburg Railway 1st Mtge. 7 per cent. gold. ....	522	\$1,000	\$522,000 00
Allegheny Valley R. R. Funded Debt Mtge. 7 per cent....	3 405	1,000	3,405,000 00
Bald Eagle Valley R. R. 2d Mtge. 7 per cent.....	100	1,000	100,000 00
Baltimore & Potomac R. R. 2d Mtge. Income 6 per cent...	1,764	1 000	1,764,000 00
Bedford & Bridgeport R. R. 1st Mtge. 7 per cent.....	1,000	1,000	1,000,000 00
Belvidere Delaware R. R. Consolidated Mtge. 7 per cent...	1,200	1,000	1,200,000 00
Bell's Gap R. R. 1st Mtge. 7 per cent.....	30	500	15,000 00
Burlington Co. (Vincentown Branch) R. R. 1st Mtge 6 per cent., overdue.....	30	500	15,000 00
Central Stock Yard & Transit Co. 7 per cent.....	300	1,000	300,000 00
City of Philadelphia 6 per cent. Loan. ....			2,773 75
Cincinnati & Muskingum Valley R. R. 7 per cent. ....	752	1,000	752,000 00
Columbia & Port Deposit R. R. 1st Mtge. 7 per cent.....	1,794	1,000	1,794,000 00
Columbus, Chicago & Indiana Central Railway 7 per cent. \$5,000,000 Loan.....	1,258	1,000	1,258,000 00
Columbus, Chicago & Indiana Central Railway 7 per cent. \$10,000,000 Loan.....	3,504	1 000	3,504,000 00
County of Clark, Illinois Bonds, 8 per cent. ....	15	1,000	15,000 00
Danville, Hazleton & Wilkesbarre R. R. 1st Mtge. 7 per cent.....	173 134 120	1,000 500 200	264,000 00
East Brandywine & Waynesburg R. R. 1st Mtge. 7 per cent.....	44 909	500 100	
East Brandywine & Waynesburg R. R. New Holland Extension 7 per cent. ....	2 764	500 100	
Erie & Pittsburgh R. R. 7 per cent. Equipment Loan.....	200	1,000	200,000 00
Frederick & Pennsylvania Line R. R. Judgment.....			115,000 00
“ “ “ 1st Mtge. 6 per cent. {	16	1 000	16,500 00
Gold ..... {	1	500	
Frederick & Pennsylvania Line R. R. 2d Mtge. 6 per cent. {	7	1,000	
Gold..... {	4	500	52,400 00
	434	100	
Flemington R. R. & Transportation Co. 1st Mtge. 6 per cent.....	250	1,000	250,000 00
Indianapolis & St. Louis R. R. 1st Mtge. 7 per cent.....	440	1,000	440,000 00
“ “ “ Equipment 8 per cent.....	50	1,000	50,000 00
International Navigation Co. 1st Mtge. 7 per cent.....	1,489 17 25	1 000 500 100	1,500,000 00
	530	1,000	
Jersey City & Bergen R. R. 1st Mtge. 7 per cent.....			530,000 00
Amount carried forward.....			\$19,254,973 75



NAME OF SECURITY.	No. of BONDS.		PAR VALUE.
Amount brought forward.....			\$19,251,973 75
Lewisburg, Centre & Spruce Creek R. R. 1st Mtge. 7 per cent.....	1,843	1,000	1,843,000 00
Mansfield, Cold Water & Lake Michigan R. R. 1st Mtge. 7 per cent. Gold.....	1,600	1,000	1,600,000 00
Mifflin & Centre County R. R. 1st Mtge. 6 per cent.....	{ 100 200 }	{ 1,000 500 }	200,000 00
Mercer & Somerset Railway 1st Mtge. 7 per cent.....	500	1,000	500,000 00
Newport & Cincinnati Bridge Co. 1st Mtge. 7 per cent.....	1,200	1,000	1,200,000 00
Northern Central Railway 2d General Mtge. 6 per cent.....	1,000	1,000	1,000,000 00
Pennsylvania & Delaware Railroad, Judgment.....			6,834 42
Pennsylvania Canal Bonds 1st Mtge. 6 per cent.....	467	1,000	467,000 00
Pennsylvania Company 1st Mtge. 7 per cent. Gold.....	6,989	1,000	6,989,000 00
Pennsylvania Railroad 1st Mtge. 6 per cent.....	3	1,000	3,000 00
Perth Amboy & Woodbridge R. R. 1st Mtge. 6 per cent....	100	1,000	100,000 00
Philadelphia & Erie R. R. 6 per cent.....	1	1,000	1,000 00
“ “ “ 6 per cent. Gold, General Mtge..	3,680	1,000	3,680,000 00
Pittsburgh, Cincinnati & St. Louis Railway, Consolidated Mtge. 7 per cent.....	100	1,000	100,000 00
Pittsburgh, Virginia & Charleston R. R. 1st Mtge. 7 per cent. gold.....	1,583	1,000	1,583,000 00
Pullman Palace Car Bonds, 8 per cent.....	95	1,000	95,000 00
Richmond & Danville R. R. 1st Mtge 6 per cent. ....			212,500 00
“ “ “ Consolidated Mtge. 6 per cent., gold.....	1,337	1,000	1,337,000 00
Shamokin Valley & Pottsville R. R. 1st Mtge. 7 per cent., gold.....	{ 739 180 }	{ 1,000 500 }	829,000 00
South West Pennsylvania Railway, 1st Mtge. 7 per cent..	1,000	1,000	1,000,000 00
“ “ “ “ Certificate of Indebtedness, 7 per cent.....			6,000 00
Steubenville & Indiana R. R. 7 per cent.....	278	1,000	278,000 00
St. Louis, Vandalia & Terre Haute R. R. 2d Mtge. Convertible 7 per cent.....	225	1,000	225,000 00
Susquehanna Coal Co. 1st Mtge. 6 per cent.....	457	1,000	457,000 00
Trenton Delaware Bridge Co. 7 per cent.....	350	1,000	350,000 00
Warren & Franklin R. R. 1st Mortgage 7 per cent.....	{ 303 358 }	{ 1,000 500 }	482,000 00
Western Pennsylvania R. R. General Mtge. 7 per cent.....	1,200	1,000	1,200,000 00
“ “ “ 1st Mtge. 6 per cent.....	10	1,000	10,000 00
Western Pennsylvania R. R. Branch, 6 per cent.....	{ 184 130 281 }	{ 1,000 500 100 }	277,100 00
TOTAL.....			\$45,286,408 17

# LIST OF STOCKS

OWNED BY

## THE PENNSYLVANIA RAILROAD COMPANY

December 30, 1876.

NUMBER OF SHARES.	NAME OF SECURITY.		PAR VALUE.
25,000	Allegheny Valley Railroad Company Stock.....	50	\$1,250,000
4,000	American Steamship Company Stock.....	100	400,000
3,682	Bald Eagle Valley Railroad Company Stock.....	50	184,100
60,852	Baltimore & Potomac Railroad Company Stock.....	50	3,042,600
300	Bells Gap Railroad Company Stock.....	50	15,000
25,000	Centennial Board of Finance Stock.....	10	250,000
6,500	Chartiers Railway Company Stock.....	50	325,000
22,000	Cleveland, Mount Vernon & Delaware Railroad Company Common Stock.....	50	1,100,000
9,029	Cleveland, Mount Vernon & Delaware Railroad Company Preferred Stock.....	50	451,450
25,544	Connecting Railway Company Stock.....	50	1,277,200
5,286	Cresson Springs Company Stock.....	25	132,150
4,744	Cumberland Valley Railroad Company Preferred Stock...	50	237,200
19,516	Cumberland Valley Railroad Company Common Stock...	50	975,800
64	Car Trust of Pennsylvania Stock.....	1,000	64,000
18	East Brandywine & Waynesburg Railroad Company Stock.....	50	900
1,906	Harrisburg & Lancaster Railroad Company Stock.....	50	95,300
1,529	Junction Railroad Stock.....	50	76,450
19,217	Jeffersonville, Madison & Indianapolis Railroad Stock...	100	1,921,700
1,000	Keystone Hotel Company Stock.....	100	100,000
5,624	Little Miami Railroad Company Stock.....	50	281,200
3,922	Louisville Bridge Company Stock.....	100	392,200
153.1	Lewistown & Kishacoquilla Turnpike Road Stock.....	.....	1
8,050	Newport & Cincinnati Bridge Company Preferred Stock..	100	805,000
48,420	Northern Central Railway Company Stock.....	50	2,421,000
18,000	North Western Ohio Railway Company Stock.....	50	900,000
70,231	Pennsylvania Canal Company Stock.....	50	3,511,550
160,000	Pennsylvania Company Preferred Stock.....	50	8,000,000
59,900	" " Common Stock.....	50	2,995,000
7,351	Pennsylvania Steel Company Stock.....	100	735,100
31,636	Philadelphia & Erie Railroad Company Common Stock...	50	1,581,800
48,000	Philadelphia & Erie Railroad Company Preferred Stock...	50	2,400,000
250	Philadelphia & Merion Railroad Company Stock, first instalment.....	.....	1 250
80	Philadelphia & Southern Mail Steamship Company Stock	125	10,000
60,000	Pittsburgh, Cincinnati & St. Louis Railway Preferred Stock.....	50	3,000,000
Amount carried forward.....			\$38,932,951

NUMBER OF SHARES.	NAME OF SECURITY.	PAR VALUE.
	Amount brought forward.....	\$38,932,951
14,181	Pittsburgh, Ft. Wayne & Chicago Railway Company Special Stock.....	100 1,418,100
8,100	Pittsburgh, Virginia & Charleston Railway Company Stock.....	50 405,000
6,750	Pullman Palace Car Company Stock.....	100 675,000
18	Railway Equipment Trust of Pennsylvania Stock.....	1,000 18,000
6	Richmond & Danville Railroad Company Stock.....	100 600
3,520	River Front Railroad Company Stock. First instalment paid	17,600
39,802	Shamokin Coal Company Stock.....	25 995,050
6,019	South West Pennsylvania Railway Company Stock.....	50 300,950
507	Standard Steel Works Stock.....	50 25,350
8,370	St. Louis, Vandalia & Terre Haute Railroad Company First Preferred Stock.....	100 837,000
43,804	Summit Branch Railroad Company Stock.....	50 2,190,200
16,885	Susquehanna Coal Company Stock.....	100 1,688,500
20,000	Tyrone & Clearfield Railway Company Stock.....	50 1,000,000
1,551	West Jersey Railroad Company Stock, \$35 per share paid	54,285
19,837	Western Pennsylvania Railroad Company Stock.....	50 991,850
3,000	United New Jersey Railroad & Canal Company Stock.....	100 300,000
	TOTAL.....	\$49,850,436

### SUMMARY.

Par Value of Bonds.....	\$45,286,408 17
Par Value of Stocks.....	49,850,436 00
Total.....	\$95,136,844 17
Cost as per General Account.....	\$70,524,809 27





